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# **The impact of luxury fashion purchases and advertisements on consumer behavior**

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## **1. Introduction:**

According to Straits (2003), the global luxury fashion market size was valued at USD 123.05 billion in 2022. It is estimated to reach USD 198.55 billion by 2031, growing at a Compound Annual Growth Rate of 5.46% during the forecast period (2023–2031). Many factors have contributed to the rising popularity of the luxury market such as its acceptance among millennials and gen Z considering their tech-savvy and social media habits that made them more brand conscious and exposed to various types of luxury advertising strategies such as personalized advertising, influencer, and celebrity advertising through social media.

Another factor can be the rise of travel and tourism particularly after the lock-down was lifted, data showed that more than 45% of luxury purchases are made by tourists. Considering part of the popularity of luxury fashion is accounted to their high quality, elegant and rare products.

Advertising has its own role in shaping consumer's behavior, driving sales, and building the brand's image. Its importance extends far beyond merely promoting the products; it serves as a powerful tool for luxury companies to communicate their value propositions, differentiate themselves from competitors, establish lasting connections with consumers as well as creating brand visibility and awareness, that ensures that the brand stands out and remains top of mind. They capture attention and generate interest in the offerings of the luxury companies by reaching potential customers through various channels, including television, digital media, and social platforms through storytelling, imagery, celebrity endorsement and other factors.

The role of consumer psychology in luxury purchases cannot be overlooked as it plays a crucial role in the high demand for luxury, I have my own experience with purchasing luxury goods and this experience inspired me to write about this topic because throughout my life I have purchased many products that are considered “normal consumer goods” and there wasn't a particular feeling I felt when purchasing or owning such goods. However, the case was different in comparison to when I made my first luxury item purchase because it wasn't just a physical item, it was a feeling and experience which gave me the inspiration to write about luxury fashion in specific with psychological factors such as self-concept, social influence and emotional satisfaction as luxury purchases are often motivated by desires that go beyond the practical functions of a product.

The research will initially provide an insight into advertising, luxury fashion and popular consumer behavior theories, then dive deeper to present the advertising strategies of luxury fashion brands and how they generate the consumer's desire to purchase. The study will also test the mentioned consumer theories and identify whether these theories are still relevant in today's market.

The objectives of this research are presented below:

O1: To read through theories about luxury consumer behavior and advertising strategies luxury brands follow to make their products more attractive.

O2: To build an understanding of what consumers perceive and associate with luxury, how important is advertising in affecting their decisions and their favorite brands and methods of shopping.

O3: Whether consumers purchase luxury goods to feel special and unique from others what do they represent to them.

## **2. Literature review:**

### **2.1 Concept of advertising**

Advertising is a part of the communication mix among other parts such as sales promotion, public relations, personal selling, direct and digital marketing. Advertising plays the central part in the communication mix that is a set of tools brand use to send messages to their audience (Scott, 2024).

According to Bullmore (1983, p.2) Advertising is ‘Any communication, usually paid-for, specifically intended to inform and/or influence one or more people.

Bullmore, p. Jeremy the chairman of the advertising association, emphasized a common misconception about advertisements, that is the assumption that advertisements only role is to sell things to people. Then proceeded with explaining the economic value of advertisements, because we live in economies that are highly competitive as they rely on the energies and inventiveness of millions of individuals to sell and promote things. That is why it is relevant to understand the origin of advertising, back in the years families were self-sufficient and could do what they needed themselves, after that, farming and labor division was introduced. Farmers, toolmakers and tailors became specialists and traded with each other, but they still knew each other and lived in the same communities. Then the industrial revolution changed everything. With mass production producers didn't know the buyers personally anymore and direct contact was lost, this is where the alternative originated. Advertising was never invented; it simply emerged naturally and

inevitably to meet a need that progress had created. It's certainly true that the growth and abundance of good, affordable journalism and entertainment owes much to the existence of advertising (Bullmore, 1983).

After that, advertisements continued to improve, covering many purposes not just informing about products, but brands and services as well.

There are three important types of advertising presented in this study. The first type is brand advertising, also known as awareness advertising and is mostly promoted in mass media with the goal of creating an awareness for the brand (Rossiter & Bellman, 2005).

The second type is direct response advertising which is a marketing that relies on direct communication or distribution to individual consumers, rather than through a third party such as mass media (Investopedia).

The third type is corporate image advertising, which includes all activities that aim to enhance the brand's reputation where the focus is not on promoting a product, but a deeper sense related to corporate social responsibility. (Rossiter & Bellman, 2005).

Many authors had their own definitions for advertisements and their purposes, Rossiter and Bellman (2005) stated that the purpose of advertisement is to shift the consumer's preference.

While Adams (1915) mentioned four principal functions of advertising: securing attention, holding attention, establishing associations, and influencing conduct by making associations dynamic.

Das (2022) defined advertising as a form of non-personal communication about a product, service, organization, or idea by an identified sponsor and at its core lies advertising appeal which is used to: grab the attention of the consumers, effectively influence their feelings and change their attitude in favor of the advertised product/service. Das expanded to explain the appeals in advertising, he defined it as an attempt to influence the buying behavior of a consumer, rationally or emotionally and ignite the will of the prospective buyers to purchase and acquire the product or service.

Das also presented advertising appeals such as favorable price appeal where the price takes the central stage to influence the consumer's decision or feature appeal where the major traits or attributes of the product/service dominate the persuasion message. But the relevant advertising appeal in the case of luxury advertisement is the emotional appeal and it includes many different feelings and needs on a personal level (safety, security, love, affection, joy, nostalgia, **pride**, achievement, pleasure, sorrow, **self-esteem**, actualization etc.) and social level (**recognition**, **status**, **respect**, rejection, **approval** etc.) (Das, 2022).

From the available literature we can define advertisement's purpose as a way to gain attention from customer and ensure that the advertised product is associated to something in the consumers mind, like in the case of luxury products, the association is high social status, exclusivity, and uniqueness.

## **2.2 Luxury fashion and Consumer Behavior**

### 2.2.1 The meaning of luxury goods

When thinking of the word "luxury goods" the consumer's mind goes to characteristics that are associated with them such as high price, superb quality, aesthetic design, heritage, reputation, exclusivity, desirability, inaccessibility, and a clear reflection of personality (Dubois & Duquesne, 1993).

Riley, Lomax, Arend Blunden (2004) introduced features to differentiate between mass consumer goods and luxury goods, fast moving consumer goods are widely marketed and distributed while luxury goods are targeted at niche market segments and the exclusively distributed. In terms of consumers, when buying mass goods, they care more about the practicality and price whereas when thinking of purchasing luxury goods they give priority to brand names and status; adopting new technologies is what accounts for the success of mass goods while craftsmanship and heritage are the features that indicate a success in luxury goods. There are five factors in a definition of luxury goods such as: well-known brand identity, exclusivity, brand awareness, high quality, customer loyalty (I. & G, 2000). Luxury goods are something more than just products and lifestyles, they are an identity, culture, and a philosophy (Bovo, 2023).

The CEO and founder of the French luxury holding LVMH stated that luxury items fulfill a purpose for the consumer and that purpose is the dream. Upon investigation the luxury field we can notice that the selling of dreams and fantasies is being communicated as well as unique experiences bonded with high sensations. (Bovo, 2023).

Based on the above presented literature, we can define luxury goods as goods that give inner and external value and experience to the consumer in comparison to mass consumer goods that do not go as far as satisfying the inner aspect of the purchase.

### 2.2.2 Luxury Fashion goods

Luxury fashion items are defined by their exclusivity, high price points, and the image and status they convey, which contribute to their appeal beyond mere functionality. These products typically belong to the upper echelon of various categories, encompassing apparel, jewelry, watches, leather goods, cosmetics, fragrances, and other personal items (Bruce, Moore, & Birtwistle, 2004).

This study mainly focuses on luxury fashion goods as luxury can expand to different categories.

### 2.2.3 Consumer behavior in general

According to Leon Schiffman (2014) consumer behavior is a behavior that consumers display in search for, purchasing, using, evaluation and disposing of the products and services that they expect will satisfy their needs. The book identified consumer behavior as a research area where it is the study of how individuals spend their available resources (money, time and effort) on products and services. Leon Schiffman (2014) highlighted that "identifying consumer needs and satisfying them are keys to marketing success".

According to Wilkie (1994) consumer behavior as “the mental, emotional, and physical activities that people engage in when selecting, purchasing, using, and disposing of products and services to satisfy needs and desires”

Companies must engage in extensive marketing research and in doing so they discovered that consumers are highly complex individuals subject to a variety of psychological and social needs quite apart from their survival needs.

Moving to luxury consumption, Franck Vigneron (1999) made an important research that proves extremely useful in understanding consumer behavior towards luxury brands, it shows the internal and external effects that impact the consumer's luxury goods purchasing behavior.

Leibenstein (1950) stated that external effects can enhance the value of a product like the product having a high price or being consumed by many people, the effects mentioned were presented in Vigneron's research as follow.

#### The perceived conspicuous value:

Many studies have been conducted on the external factors effecting the utility of a product where the more conspicuous a product is, the more likely it is that its appeal and desirability to an individual are influenced by the norms, values, or behaviors of their reference groups. For example, someone might be more inclined



to purchase a flashy sports car or a luxury handbag because these high-visibility items are valued or admired by their social circle, thereby enhancing the owner's social status or prestige within that group. Tellis and Gaeth (1990) conducted a study that revealed consumers affected by conspicuous products also judged products based on their price, because they mainly purchase luxury products in order to symbolize wealth therefore a high price tag suggests a more luxurious feel.

#### The perceived unique value (the snob effect):

According to research done by Verhallen (1982) and Lynn (1991) consumers tend to value rarity and scarcity in products as it suggests higher prestige and respect. Because based on the psychological study done by Snyder & Fromkin (1977) individuals have a need for uniqueness which drives them to seek out products that distinguish them from others in order to satisfy this need. A higher price can indicate uniqueness because it is not accessible to anyone therefore the price tag contributes to the product's desirability in the snob effect as well.

#### The bandwagon effect:

Lieberstein (1990) has discussed the interplay between the snob and the bandwagon effect although the consumers affected by the snob effect are seeking differentiation and the consumers effected by bandwagon effect seek affiliation, they are still essentially driven by a desire to enhance self-concept.

Belk (1988) concept of "extended self" explains that luxury brands can act as a symbol of membership and social status. It enhances the individual's self-concept through associating them with higher social status.

Maehle, Otnes, & Supphellen (2011) mentioned in consumer societies people not only purchase products for what they can do (personal value) but for what they can symbolize and the symbolic attributes and often than not the main reason for the purchase of the luxury product.

Overall, the article elaborates on how luxury brands use the snob effect and the perception of scarcity to maintain high demand and command premium pricing, satisfying consumers' need for uniqueness and status differentiation.

According to Yuqin Long (2023) there are complex psychological factors related to luxury consumption, involving personal cognition, psychosocial, and cultural values. According to the French philosopher Jean

Baudrillard, consumerism is a specific type of consumer culture where consumption aims to satisfy constantly created and stimulated desires, rather than just fulfilling actual needs. Psychology of luxury consumers can be influenced by social impacts that we elaborated in the following review and personal values. Personal value can involve internal factors such as self-expression and self-esteem, self-fulfillment, and identity. Luxury consumer psychology is a complex area requiring multiple and multi-level research and analysis. It can be broadly divided into the following categories:

Shout of psychology:

Consumers in this category buy luxury goods primarily to show their social status and wealth. They believe that luxury items demonstrate their sense of success and achievement and are symbols of identity and status.

Self-worth realization psychology:

Consumers in this category buy luxury goods mainly to meet their inner needs, hoping to improve their sense of self-worth and satisfy their self-esteem through consumption.

Social psychology:

Consumers in this category purchase luxury goods mainly to participate in social activities and to express their social ability. They believe that luxury can increase their influence and charm in social situations.

Collection psychology:

Consumers in this category buy luxury goods mainly for collection and investment. They believe that luxury items are valuable, can be appreciated over time, and can become a family-inherited property.

## **2.3 Luxury Fashion Advertising**

Advertisements are highly important in the luxury fashion goods sector as they are a means of communicating the brands' story, starting from their history and development to their personality, image, and products and services. Traditionally, advertisements of luxury brands are mostly featured in fashion magazines, business publications, airline in-flight magazines and other high-end publications. This is

because these publications are the most widely read by the target audience (Okonkwo, *Luxury Fashion Branding*, 2007).

Luxury fashion advertisements have certain characteristics that differentiate them from other advertisements, for example ads for electronics make use words to make their claims, and the same goes for the sports cars ads they use words to showcase the advertised product but fashion ads avoid using words because fashion is an aesthetic, a look, only an imagery and a brand is enough to convey a message without the need of words (Phillips & McQuarrie).

In today's society wealth is highly associated with luxury and the consumption of prestigious products, and this is where luxury advertisements come into use where the advertisements' role is not only marketing products but also building brand images and establishing brand values and brand personality (Long, 2023).

Luxury fashion advertising relies mainly on exclusivity and brand image and personality, that is why Okonkwo (2007) wrote that luxury brands have historically used advertising to not only inform consumers about their products but also to reinforce the symbolic features of luxury, such as prestige, heritage, and craftsmanship.

Luxury fashion advertising primarily emphasizes the appeal of a dream lifestyle. It highlights how advertising communicates the exclusive codes and messages associated with luxury fashion, inviting customers into this world where they are unique and special. Additionally, the idea of happiness often accompanies this portrayal, in order to appeal to a specific social status. Overall, various factors contribute to strengthen the perceived qualities of luxury fashion luxury fashion within advertising (Bovo, 2023).

While consumer goods like detergent and toilet paper project a sense of reality to their consumers, luxury brands project a sense of fantasy (Okonkwo, *Luxury Fashion Branding*, 2007).

## **2.4 Luxury Fashion Brands Advertising Through Traditional Advertising Mediums**

Luxury brands continue to rely on traditional advertising mediums like print and outdoor advertising (e.g., billboards and posters) as a way to differentiate themselves from mass-market competitors because as elaborated in the previous chapters, uniqueness and exclusivity are the most important parts of luxury fashion advertisement strategy. Additionally, traditional advertising methods allow luxury brands to create a physical, sensory experience that digital channels cannot fully provide.

### Print Advertising:

One of the ways luxury brands create experiences for their consumers is by making them travel from their own world to the beautiful aesthetic world of the brand. The worst thing that you could associate a luxury brand with is that they are “normal” and “relatable”. That’s everything they don’t want to be. As a result, those brands often approach their marketing messages in a more abstract way to their consumers. The print medium, is inherently aspirational and much better suited to “selling a dream” than digital channels, where there are a greater number of distractions to remind audiences of so-called ordinary life. If luxury fashion brands want to be desirable, the more senses they can engage, the better. That’s where print advertising proves useful, offering readers and customers something to touch, feel and, in some cases, even smell (Sappi, 2020).

### Outdoor advertising:

According to Aimee McKay, client partnership director at Clear Channel UK one of the largest outdoor media advertising companies, luxury have been their strongest growing client in 2023 with a continuing increase every year. JCDecaux, the largest outdoor media company also stated that luxury is the highest percentage in any category. As presented in earlier literature, visual aesthetics is one of the key advertising patterns noticed in luxury advertising thus, luxury brands opt for this method of advertising, it allows them to display their advertisements like pieces of art in a superior quality. Luxury brands have the tendency to associate themselves with places like the case of Armani in Milan and Burberry in London outdoor advertising provides a great opportunity for those brands to showcase their advertisements in those cities (JCDecaux, 2019).

Another major benefit for outdoor advertising for luxury brands is the ability to reach their target consumers by strategically locating their ads in wealthy higher-class areas such as high-traffic urban centers and fashion capitals like New York, Milan, London and Paris where they are more likely to be exposed to the target consumer’s and maintain their brand presence. The ads are typically minimalist and visually striking, featuring high-quality images with minimal text to reinforce the brand's sophistication and aspirational appeal (Sappi, 2020).

### TV advertising:

Television advertising is another essential medium for luxury brands because it is another channel that enables luxury fashion brands to reach a broad but targeted audience. Luxury brands select advertising

channels that align with their target audience's behavior. For example, local broadcast news is highly trusted among affluent consumers, creating a "halo effect" where ads placed with trusted content are more likely to lead to purchases. Additionally, digital platforms such as local news websites, social media, and targeted ads are important for reaching a wider audience. Digital channels can amplify TV messaging, especially as luxury sales are increasingly "digitally influenced," with 43% of wealthy consumers reporting an increase in online shopping. (Cunningham, 2023).

#### Online commercials:

Luxury fashion brands increasingly use online advertising through social media, e-commerce, and influencer partnerships to maintain their premium image. Brands like Gucci and Chanel lead with lots of campaigns. They also use YouTube for high-quality, cinematic videos that reflect their identity. With 80% of luxury sales being digitally influenced, these brands focus on personalization and influencer marketing to engage younger, tech-savvy consumers while preserving their exclusivity (Patel, 2023).

#### Movie theater commercials:

Movie theater commercials are another way for luxury fashion brands to target affluent, captive audiences in a distraction-free environment. Cinemas offer a visually engaging and impactful space, perfect for high-end brands like Cartier and Tiffany & Co. Luxury cinemas, with premium seating and gourmet services, increase the exclusivity of these ads. This setting creates an ideal environment for emotionally and visually engaging campaigns (Morgan, 2024).

#### Radio commercials:

Some of the Luxury fashion target customers appreciate the traditional media channels more, that is why luxury fashion brands use radio commercial advertising to reach these affluent customers. Radio allows these brands to target specific demographics based on listening habits an engaging auditory storytelling platform that aligns with the lifestyle and values of their audience. Brands often sponsor premium, niche radio stations that cater to wealthy consumers or lifestyle shows to create exclusivity.

For instance, brands like Chanel and Hermès have carefully crafted radio campaigns that align with their brand values, while others use this medium to support local community radio stations where their target audience is actively engaged (Gingerich, 2024).

Additionally, podcasts continue to gain popularity, they serve as an ideal platform for luxury brands to showcase their products and enhance their image. Individuals interested in fashion are inclined to tune into fashion podcasts that offer insightful information regarding emerging trends and the broader fashion industry. Engaging with a podcast like this requires careful listening to what the speaker is saying. When listeners are truly focused on the content, the details about the product come through more naturally, sparking an instant urge to buy (Gingerich, 2024).

## **2.5 Advertising Strategies of Luxury Fashion Brands**

Luxury fashion brands rely on a lot of sophisticated advertising strategies to keep their aura of exclusivity and attract their target audience. These strategies are designed to increase the brand's appeal and express a sense of prestige. They use visuals and storytelling to show craftsmanship and heritage and focus on creating an emotional connection with their consumer and also collaborate with celebrities and influencers to add more value to their campaigns.

### **2.5.1 Visual Appeals and Storytelling**

Like most advertisements, the main goal is to engage customers and get their attention, luxury brands way of increasing the customer engagement in their advertisements is through visual and sensory elements, immersion, and transportation which all intensified the brand experience, when the potential customer watches the advertisement they get fully engaged in the act of being transported into another universe (Phillips & McQuarrie).

There are three pillars that make transportation effective. The first one is story, when looking at luxury fragrance advertisements, you can always notice the presence of a story in the advert. The second involves moving into a completely new story universe, stepping away from reality. The third is connected to the transformations acquired after immersing oneself in the fictional world (Phillips & McQuarrie).

Another important visual aspect is the logo, logos are essential when it comes to luxury advertising, as luxury ads mainly rely on imagery and logos, it is the visual aspect of the brand mark that exposes the brand identity in a visible way that if why it is very important for brands to make it stick out in a unique way (Bovo, 2023).



*Figure 1 Ryan Gosling for Gucci Valigeria ad campaign (2022)*

The above advertisement for **Gucci** shows luxury travel goods in a highly stylized scene, it combines storytelling, celebrity appeal, and visual aesthetics to communicate the exclusivity, prestige, and luxury associated with Gucci products. The image is shot by the ocean, with the famous actor Ryan Gosling who is considered a symbol of prestige and class, Ryan is standing in shallow water, pushing a cart stacked with Gucci luggage. This advertisement combines the usual luxury fashion brands strategies starting with choosing an iconic actor as the lead to setting the advertisement in a mesmerizing place to fulfill the visual aspects of luxury advertisements as well as the story-telling aspect where the setting expresses an image of travel, freedom and luxury as well as conveying an image of adventure, all successfully transport the viewer to “the dream”. Luxury fashion brands express their brand identities and logos in their advertisements like the one in the figure which presents Gucci’s color palette being brown, red and green as well as the Gucci

logo in the bags in a way that gives us a glimpse of the brand's personality being classy, elegant and sophisticated.

### 2.5.2 Social media Integration

Luxury brands use social media to engage and attract their target audience, platforms like Facebook and Instagram offer advanced targeting options that allows luxury brands to deliver personalized advertisements directly to their target market segment. Social media advertising opened the way to a new era for luxury fashion, it gave them the ability to inform, engage, sell, give knowledge, provide new services to potential customers (Lamberton & Stephen, 2016). By 2025 it is estimated that up to one third of all purchases for luxury items will be made online with estimated sales of 136\$ billion (Dubey, 2023).

Luxury brands Instagram's massive user base of 1 billion monthly active users and 500 million daily active users underscores the platform's significant reach and influence (Rejeb, Rejeb, Abdollahi, & Treiblmaier, 2022). The platform's algorithm allows users to curate their feeds by following specific influencers, ensuring that they receive content tailored to their interests and preferences. This highly engaged audience makes Instagram an invaluable tool for brands seeking to connect with consumers through influencer partnerships (Fuciu, 2019) . Influencers significantly shape consumer perceptions of luxury brands through their large audiences and content creation skills and often showcase luxury products as part of their lifestyle, sharing personal stories or experiences. This creates an authentic connection with their audience, making the luxury item more desirable. Influencers position the product as a reflection of success, exclusivity, or sophistication, which aligns with the audience's aspirations.

Luxury social media communications is based on three factors, recognition, aesthetics and narrative and a luxury brand's social media marketing strategy is promoting an exclusive lifestyle, it is as emphasized before "the selling of a dream (Dubey, 2023). Luxury brands tell compelling tales and give detailed information about the quality of their products in their social media accounts using high visuals and creative posts or influential people. Social media gives a platform for luxury brands not only to advertise their products and promote the brand image but also to create inspiring content about influential and successful people that allows them to match the ambition of their potential customers (Dubey, 2023).



### 2.5.3 Brand image

Keller (2009) has identified brand image as consumers' perceptions and preferences for a brand, as reflected by the various types of brand associations stored in consumers' memory. It emphasizes that strong, favorable, and unique brand associations are crucial as points-of-difference.

The concept of brand image is held by the consumer that is not related to the functional and physical characteristics of the product. Instead, it is affected and molded by marketing activities, by context variables, and by the characteristics of the perceiver (Dobni & Zinkhan, 2015).

According to Keller (2009) to build strong brands the right image structure should exist in the consumer's mind in order for them to respond positively to the marketing activities. Advertisements and marketing communication in general play a huge role in creating the mentioned knowledge, and for this reason we can notice how luxury brands try to create an exclusive and unique aura.

A widely recognized and accepted brand image is considered to be one of the most valuable resources owned by a company (Kim & Kahle, 2006).

These can serve as sources of brand equity, driving differential effects such as enhanced loyalty, price premiums, more favorable price elasticity responses, greater communication and channel effectiveness, and growth opportunities via extensions or licensing (Hoeffler & Keller, 2003; Keller K. , 2008).

Therefore, the right type of advertisement can link the right associations to the brand's image in the consumer's memory, creating positive feelings towards the brand and building a stronger brand connection with the consumer.

We can take Chanel as an example which provides high end clothing, fragrances and cosmetics, the brand is associated with elegance and class and one of the main factors that created those associations are their advertisements such as Coco Mademoiselle perfume featuring Keira Knightley portrays her waking up in a bed covered with silk sheets, putting on a stylish bodysuit, and applying Coco Mademoiselle perfume. She then rides an antique motorcycle culminating in her confident and controlled image and goes through the beautiful streets of Paris. The Coco Mademoiselle's advertisement portrayed the elegance and refinement of the perfume while portraying it as a symbol of beauty and independence for modern women. Chanel has a lot of similar advertisements that link the image of elegance and beauty in the consumer's memory.

Luxury brands usually create a halo of originality around the brand, by showing the qualities of uniqueness and exclusiveness. (Dion & Arnould, 2011) (Bovo, 2023).

High-end brand marketers usually try to develop a brand image that matches the target market's self-image or desired self-image. (Kotler, 2002).

Hence, this is why luxury brands focus on portraying the exclusive unique and elegant aura through their marketing communication tools.

Kotler (2002) Also stated that each brand position itself in the market by offering an image which will have a certain characteristic in the mind of the consumer, it is the right moment for a brand to create a distinctive image from their competitors, where they should build something special that cannot be easily imitated by their competitors.

A core characteristic of a successful brand image is to determine a consistent style (Pechoux, Little, & L., 2007). Like in the case of Gucci's style that is bold and eclectic mix of materials, patterns, and colors, often incorporating unexpected combinations of textures and prints which portrays creativity, individuality, and self-expression. While Chanel has a mix of simplicity, class, and minimalism which portrays elegance, and high-class.

#### 2.5.4 Brand personality

While brand personality and brand image might seem similar in concept, they are two different things. In short terms, brand image is the consumers view and perception of the brand, while brand personality is a set of human characteristics and personality traits associated with the brand.

The brand personality is the core personality traits and characteristics that have been consciously chosen for the brand. It is who the brand has decided to be, how the brand views itself and how it wants to be viewed by others. It is the 'true self' of the brand. (Okonkwo, 2007).

Brand personality enables the customer to express their own personality with the brand as people tend to consider their possessions part of themselves (Azoulay & Kapferer, 2003).

Aaker's (1997) framework is seminal in brand personality research, proposing five dimensions of brand personality: Sincerity, Excitement, Competence, Sophistication, and Ruggedness. This model has been

widely adopted and adapted in various cultural contexts to evaluate how consumers emotionally relate to brands (Aaker, 1997) (Azoulay & Kapferer, 2003).

Another study suggests that there exist five distinct luxury personality dimensions including tradition, modesty, elitism, eccentricity and sensuality. They help brand managers to develop distinct brand personalities by encouraging them to decide between contrasting traits.

The key identifiers of luxury brands are high quality, expensive and non-essential products and services that appear to be rare, exclusive, prestigious, and authentic, and offer high levels of symbolic and emotional/hedonic values through customer experiences

A study by Malär, H., & Hoyer (2011) have shown that a harmony between brand personality and consumer self-image leads to stronger brand preference and loyalty.

However, when building brand personalities it is important to avoid personality traits that may seem unattractive or may convey a negative meaning in the mind of the consumer such as dishonesty, cruelty, pessimism or even related to negative personality disorders such as narcissism. (Sweeney & Brandon., 2006) (Heine, Atwal, Crener-Ricard, & Phan, 2018).

Recent studies on brand personality emphasize its role in creating emotional connections and customer loyalty, especially in a digital world. A key trend in 2023 is the focus on authenticity—consumers seek genuine, transparent brands that align with their values. This builds long-term trust. Brands are also exploring personalization by leveraging customer data to create tailored experiences and engaging narratives. (Tiffany, 2023).

Brand personality remains an important part of advertisement strategy that influences the consumer perception and connection towards the brand. Future research should continue to explore the implications of digital media on brand personality and its influence on global marketing strategies.

### 2.5.5 Celebrity Influence

Celebrity endorsement is crucial in luxury fashion as it makes the customer form a personal connection with the brand, when seeing their favorite icon wearing it, therefore identify with the brand itself in an attempt to match their preferred idol.

Celebrities have greatly influenced consumers in this decade, international stars like Madonna, Beyoncé and Sara Jessica Parker have become more influential role models for consumers than political figures like Tony Blair and George Bush. This phenomenon has been prodded once again by advanced information and communications technology, including the Internet and Digital television. Global movies like *The Devil Wears Prada*, which have fashion undertones, have become reference points for fashion consumers.

The implication is that luxury consumers crave personal attention through products and services, from luxury brands and expect to be treated as stars. As a result, there has been a wide adoption of the celebrity endorsement strategy in luxury goods advertising and communications. (Okonkwo, *Luxury Fashion Branding*, 2007).

Celebrity endorsement enhances positive brand association, when brands launch a new product and would like to gain positive attention, they endorse it to a driving figure like a celebrity (Miller & Allen, 2012). While endorsing a product, the celebrity, statuses a crucial role. In fact, the famous icon plays the persuasive part, by transmitting an influential message to the potential customer. The actor can generate internationalization and identification of the product, inside the customer (Hedhli, Zourrig, & Becheur, 2021).

#### 2.5.6 Fashion shows

Fashion shows are one of the best environments that enable luxury brands to advertise their products and reach their affluent audiences as these shows gather influencers, editors, celebrities and fashion enthusiasts. Yet the most important benefits are from boosting sales and awareness as fashion shows has a direct impact on sales. According to Forbes Louis Vuitton experienced a 23% increase in their sales after their Spring/Summer 2017 show. It is also one of the best ways for brands to and attract media attention thus building into their brand identity and promotion (Belle, 2023).

### **3.Methodology:**

Through the literature review, this research explained in detail the meaning of advertising and how it emerged for the first time, then it continued to explain consumer's behavior in terms of luxury with popular theories that explain the different reasons why consumers purchase luxurious products and the emotional needs they fulfill. In addition, the research showed what is the meaning of luxury goods, the purpose they fulfill for the consumer and what sets them apart from other consumer goods. The concept of luxury goods was defined in general, and the concept of luxury fashion goods in specific. Moving on, luxury advertising was defined and the characteristics of such advertising that distinguishes it from the other types of advertising, and the different channels they use to reach their target audience. Lastly, the secondary research ended with presenting the main advertising strategies luxury brands focus on to build their brands.

In the primary research a qualitative and quantitative research will be conducted to test the popular consumer behavior theories presented in the literature review out the reasons, and the drivers of luxury purchases as well as the emotions felt after the purchase and what parts of our emotions does these purchases validate and finally the role of advertising in creating purchase intentions and desires.

#### **3.1. Research methods**

#### **3.2. Primary data collection**

This study uses primary data collection methods to gather key perspectives on consumers' emotional, cognitive and behavioral responses to luxury purchases. The research adopts qualitative method, focusing on focus group, to explore those perspectives.

##### 3.2.1. Qualitative research methods

This **qualitative research approach** was selected to test consumer behavior theories in the literature review and get information on what are considered luxury products in the mind on the participants, and the reasons for purchasing such a products and the things that affect their purchase that may include advertisements, their preferred luxury brands and method of shopping, and finally the functional, emotional and social expectations consumers expect from those purchases. This approach allows for a deeper understanding of the factors that shape consumer attitudes, desires, and purchase intentions.

The method used for the research was a focus group session that consisted of 6 participants ranging from the ages of 29 to 38, the participants were all women who are interested in purchasing luxurious products such as makeup, clothing, shoes, fragrances, jewelry, watches etc.

Data collection occurred over a period of two weeks. A focus group session was conducted to open a discussion.

The tools used for the research were a structured question guide to explore participants' emotional reactions and drivers for purchase luxury fashion, focusing on themes such as emotional and social perception and exclusivity, and an audio recording to record the discussions, which was transcribed for analysis. The detailed guide can be found in the 9.1 chapter of annexes.

This qualitative study is influenced by previous research indicating that luxury purchases often provoke emotional responses, which in turn affects the consumer behavior, as well as theories that presented the importance of advertising as it is a way that enables brands to engage that emotional objective. The interview questions are designed to build on existing theories of **prestigious consumer behavior** and **consumer identity** in the world of luxury.

The data from the focus group was analyzed by the transcription of the audio recordings and then the identification of points which connected with established theories of luxury fashion purchases, emotional responses from those purchases and advertising strategies.

The results of this analysis will help provide information about what consumers consider luxury, their reasons for buying such goods, what affects their purchase how the purchase of luxury fashion items evoke their emotional responses and what is the role of advertising in building these emotions.

### 3.2.2. Quantitative research methods

The quantitative research was conducted through a survey targeting luxury fashion consumers the sample size was 106 and the respondents were asked questions relating to their luxury purchase motivations, opinions, feelings and the things they associate with luxury. The main aim of the survey was to understand the luxury consumer behavior and test theories presented in the literature review such as "the perceived conspicuous value" which states that the more visible the luxury product is the more consumers will value it consumes value it as consumers associate luxury with owning and displaying luxury goods to communicate their status to others, this theory is based on the idea that luxury items fulfill more than just

the functional purposes but a means to communicate wealth, exclusivity and elevate the buyer's social status in the eyes of others. To test this theory, respondents were asked the questions like the main factor influencing their luxury purchase behavior, whether they associate luxury products with high status and about their willingness to pay more for a brand known for high quality and prestige as well as the extent they agree with purchasing a product with a visible logo and if they ever purchased a counterfeit luxury item before.

The next theory that this research aimed to test is "the perceived unique value" which states that consumer tend to value rarity and scarcity in products as it suggests higher prestige and respect because based on a psychological study done by Snyder & Fromkin (1977) people have a need for uniqueness and that need is their motivator to seek out products that distinguish them from others. To test this theory, the respondents were asked about the main influencer for their luxury purchase and included uniqueness and exclusivity among the answers, among the question asked was if owning luxury goods make them feel more unique or special and feelings they feel after purchasing luxury. The rest of the questions were general questions about what makes a brand luxury in their opinion, how often they purchase luxury, their favorite luxury brands and method of shopping and relation demographic questions.

Another theories the research tested was a theory by Belk (1988) which states that luxury brands can be a symbol or a membership for high-status, and a theory by Maehle, Otnes & Supphellen (2011) that stated people not only buy products for what they can do but also for what they symbolize and those symbolic factors often then not the main reason for the purchase of the product.

The participants for this research were selected using **purposive sampling** to ensure that those with relevant experience or interest in luxury fashion are included and to do this a question was included in the beginning of the survey asking if they had purchased a luxury product before, if the respondents answered **Yes** the survey opens allowing them to answer the questions, if their answer was **No** the survey submits it and closes. The tool that was used for the research was google survey.

***Hypotheses:*** *The quantitative data collection aims to test the following hypotheses:*

H1: Consumers purchase luxury products to feel special and unique from others

During the literature review, the “perceived unique value” theory was presented in which consumers affected by this theory value rarity and exclusivity as individuals have a need for uniqueness therefore luxury goods can be a way for them to differentiate themselves from others, this theory was tested in

the qualitative research and the results aligned with it. For that reason, I chose to test it in the quantitative research with H1.

H2: There is no significant relationship between age and shopping preference for luxury goods shopping among respondents

I formed this hypothesis because it is commonly known that the younger generation prefers shopping online yet in the qualitative research a lot of respondents seemed to prefer offline shopping because luxury shopping is a whole experience, luxury brand stores tend to provide the best available service for its clients therefore regardless of age, most luxury shoppers would not want to miss out on the experience of shopping at a luxury store.

The data was analyzed using excel in order to test the hypothesis and identify participant responses and compare them with the information shown in the secondary research.

## 4. Results

In this chapter both the results of the quantitative and qualitative research will be presented

### 4.1. The results of the qualitative research

#### Focus group:

The focus group consisted of 6 participants ranging from the ages of 29 to 38 and all from Yemen, the participants were all women who are interested in purchasing luxury fashion products such as makeup, clothing, shoes, fragrances, jewelry, and watches. I will start by summarizing the responses in the main topic then later on reflect on the results in the analysis subchapter.

The interview started with the first question where the participants were asked about **the things they consider luxury goods and how often do they purchase and obtain such a goods, and their favorite luxury brands.** Starting with participant 1 who was a 30 years old woman she mentioned that she considers clothing, bags, shoes, jewelry and fragrances from certain expensive and popular brands such as Calvin Klein, TH, Gucci, Armani, Chanel as luxurious products and she buys those products when she feels the need to buy them or it can also be re-purchasing a new bottle of her favorite luxury fragrance or her luxury makeup item. The participant also specified what category of luxury she avoids and which ones she buys, where she buys luxury coats, fragrances, make-up, shoes, bags and jewelry. The type of luxury items she avoids are clothing like dresses, shirts, trousers etc.. because she said they are not as functional compared



to the other categories and not as visible to others in terms of brand or logo visibility. The participant's favorite brands are Calvin Klien, Tommy Hilfiger, Giorgio Armani, Michael Kors.

Moving to participant 2 who was a 36 year old woman she mentioned that she considers clothing, bags, shoes, make-up and fragrances from expensive brands as luxury items and she buys luxury bags and shoes every two three years and fragrances and make-up more often, her favorite luxury brands are Coach, Calvin Klien, Cartier, Tommy Hilfiger.

The 3rd participant is a 37 years old woman, and she considers expensive high end skin care products, shoes, bags, clothing, fragrances, jewelry, and watches as luxury goods. She purchases luxurious products like bags and shoes every two years or more as for others according to her needs and her favorite luxury brands are Calvin Klien, Coach, Aigner, YSL, Omega, Rolex.

4<sup>th</sup> participant is a 28 year old woman and she considers expensive items like shoes, bags, watches, fragrances, and she buys them when she feels the need to or when there is an appealing offer on the item, her favorite brands are Michael kors and Calvin Klien.

Moving on to the 5<sup>th</sup> participant is a 35 year old woman for her anything can be luxury if the quality is great, but she gave an example about Perfume and makeup, the participant mentioned that she doesn't purchase luxury for the sake of luxury but instead for the quality of the product, she said she doesn't have a specific brand in mind that she favors.

Moving on to the last participant number 6 who is a 34 woman she mentioned what she considers luxury are the products that are not accessible everyone and has a high quality and popularity and she buys them yearly or when she needs them and her favorite brands are Mugler, Gucci, Tommy Hilfiger, Versace.

**What are the things that affect your decision to purchase a luxury product?** Participant 1 stated when she sees her friends having the same product or her favorite influencer because she considers those (especially the friend) more trusted another thing that affects her purchase decision is an advertisement showing a product she likes as it can grab her attention to the product. Participant 2, 3, and 4 agreed with 1. As for participant 5 she mentioned that advertisements and her social circle are a big factor influencing her luxury purchase decision and emphasized that she has bought many luxury make-up products because the advertisements aesthetics caught her attention or when the advertisement was repetitively enforcing an image or an idea, she had to try the product herself to check if it's true. Participant 6 Also agreed that

advertisements make a big difference especially in how engaging they are and their productions account in her interest in purchasing a product especially when a big celebrity is doing the advertisement.

**What is your expectation when purchasing a luxury good?** The 1st and 2nd participant mentioned that the main thing they expect from purchasing a luxury product is longevity, high quality and aesthetics of the products, then all the other participants agreed especially with the longevity part where participant 6 mentioned that if she purchased a luxury fragrance she expects it to last for days then followed with expecting to be more confident by wearing the luxury product whether it was clothes, bags or perfume and that the products she's wearing are giving a prestigious impression in the eyes of others. And added that she expects those products to make her more confident and represent her as a higher status person, participants 5, 2, and 1 agreed with 6's points and all the participant generally mentioned that they have high expectations.

I followed by asking the participants the next question, that is whether **their luxury purchases met their expectations**. Participant 6 stated that not always unless it's a repeated purchase like buying the same cosmetics or fragrance. The rest of the participants all mentioned that their luxury purchases met their expectations, and it doesn't in a very rare occasions.

**How does purchasing a luxury product makes you feel?** I asked. Participant 1 answered that purchasing a luxury fashion product makes her feel more unique and special, participant 2 agreed with 1. 3 mentioned purchasing a luxury fashion product makes her feel happy because she bought something with a high quality that will last her long and participant 4 agreed with 3 and says it also makes her feel special. 5 stated she feels special, but it is not exclusively related to luxury fashion but anything she wears that fits her. 6th participant said she feels a lot of satisfaction and it makes her feel more confident. I followed by asking, **do they make you feel unique?** 5th and 4th participants agreed on how owning luxury fashion items makes them feel unique and special whether it was shining jewellery or an attractive clothing, participant 6 also empathized that luxury brands often release limited edition items which plays a major role in the feeling of uniqueness, following that all the participant also agreed that owning a luxury product definitely makes them feel more unique and special.

Moving on I asked the participants **whether they think owning a luxury fashion good elevates their self esteem. And elevates how others look at them**. Participant 1 said it enhances her self esteem, especially when the product is unique and not owned by many people, and when it comes to how others look at her it all depends on her circle sometimes it does affect how others look at her if she's around certain people and

sometimes it doesn't. 2nd stated that it doesn't necessarily improve her self esteem, but it elevates how other people look at her. Participant 3 mentioned when she's around people who also wear luxury products wearing them herself rather makes her feel blended which in turn makes her feel more confident in herself. 4th participant stated that it depends on the people, if the people she's around are brand aware then yes, she feels more confident. Then the 5th participant also agreed that yes it makes her more confident on herself and how others look at her. 6 agreed with 4 that if she's around brand aware people she feels more confident and positive about how others look at her and her self esteem is higher.

The last question I asked from participants was: **what do you prefer online or offline shopping and why?** Participant 1 mentioned she prefers offline shopping because it makes the shopping process an experience and she likes to try on the products. 2 agreed with 1 and she stated that she doesn't like online shopping because she doesn't know how the product looks like in real life unless she sees it. And 3 agreed with 1 and 2. Participant 4 stated she prefers online shopping because she doesn't have much time to shop in the store. 5 stated as well that she likes online shopping because there is a wider range of products and takes less energy and effort. As for participant 6 she prefers store shopping because of the whole experience and to see the product with her own eyes.

#### Analysis:

From the participants answers we can observe as a start that a high price tag, high quality and exclusivity is connected to luxury, and purchasing a luxury fashion item often comes with a high emotional and functional expectations from the customer. As we move to the second question of the interview where participants were asked about **the factors that influence their luxury purchase** a pattern is noticed in the participant's answers that is word of mouth and advertising, as they elaborate influencer and celebrity advertising and advertisements with high quality imagery and production make an influence in the pre-purchase process by grabbing their attention to check the product or directly create a desire for a purchasing it.

Upon analyzing the third question about **the participant's expectations when purchasing luxury fashion goods**, the common theme noticed is high quality, aesthetics which was not surprising as these features are rooted in luxury and always emphasized in luxury brands advertisements. However, some participants also mentioned confidence which will be elaborated in the next question.

In the fourth question the participants were asked about **how luxury products make them feel**. Some participants explained how luxury products make them feel special from others and others stated that they make them feel happy and satisfied knowing they bought a product with a premium quality, and some said

it makes them feel more confident, then I followed by asking **whether luxury fashion products make them feel unique**. And all the participants responded positively to the question. The next question was whether they think **owning a luxury fashion good elevates their self-esteem. And elevates how others look at them**. Most participants agreed that it increases their self-esteem and makes them feel positive on how others look at them if the people they're around are brand aware.

The results of the analysis did not surprise me because I had my own experience with purchasing luxury goods and some of the answers the participants gave resonated with my own experience such as the unique value these product give and their improvement on how others look at me, my own experience and the result of this analysis validated the **"the perceived unique value"** theory presented in the secondary research, the theory states that consumers value rarity and scarcity in products as it suggests higher prestige and respect because people have a need for uniqueness and that need is their motivator for them to seek out products that distinguish them from others. Additionally, it also validated **"the perceived conspicuous value"** theory which states that the more visible the luxury product is to others the more consumers will value it as consumes associate luxury with higher status and owning and displaying luxury goods can communicate their status to others, this theory is based on the idea that luxury items fulfill more than just the functional purposes but a means to communicate wealth, exclusivity and elevate the buyer's social status in the eyes of others. Lastly, it also confirmed that advertising strategies luxury fashion brands use such as aspirational imagery, focus on exclusivity, and celebrity/influencer endorsements significantly influences purchase intentions among potential buyers which I also experienced myself as I bought or was interested in many luxury products merely because of the advertisements.

#### **4.2. The results of the quantitative research**

##### Survey

This survey was conducted with 106 respondents aimed to explore luxury consumers purchase behaviors, feelings, opinions, purchase motivators and things they associate with luxury fashion and lastly evaluate the information presented in the secondary research. Firstly, I will start by introducing the demographics of my respondents:

**Table 1. Distribution of respondent's sex**

<i>Sex</i>	<i>Frequency</i>	<i>%</i>
<i>Male</i>	14	13%
<i>Female</i>	92	87%
<i>Total</i>	106	100%

*Table 1 Distribution of respondent's sex source: own research, 2024*

Table 1. shows that most of the respondents are female at 87% with very few male participation at 13% and that could be due to the nature of the topic which is luxury and fashion that tends to be more popular among women than men.

**Table 2. Respondents age**

<i>Age</i>	<i>Under 20</i>	<i>20-25</i>	<i>26-30</i>	<i>31-35</i>	<i>36-40</i>	<i>Above 40</i>	<i>Total</i>
<i>Frequency</i>	2	34	23	28	14	5	106
<i>%</i>	2%	32%	22%	26%	13%	5%	100%

*Table 2 Respondents age source: own research, 2024*

Table 2. present the age ranges of the respondents where it is seen that the highest age ranges were from 20-25 (32%) and 26-30 (22%) and 31-35 (26%) the lowest age range was the under 20 which accounted for only 2% of the respondents, the second lowest is the people above 40 who represent 5% of the respondents and then the age range 36-40 at 13%.

**Table 3. Respondents' education level**

<i>Education</i>	<i>High school diploma or equivalent</i>	<i>Bachelor's degree</i>	<i>Master's Degree</i>	<i>PhD</i>	<i>Total</i>
<i>Frequency</i>	23	62	17	4	106
<i>%</i>	22%	58%	16%	4%	100%

*Table 3 Respondents education level source: own research, 2024*

Table 3. represents the education level of the respondents starting from high school or equivalent diploma holders who represent 23 of all respondents (22%) then moving to Bachelor's degree category that represent the majority of the respondents at 62 which is 58%, Master degree graduates are 17 that is 16% and PhD are just 4%.

Table 4. Respondents' income

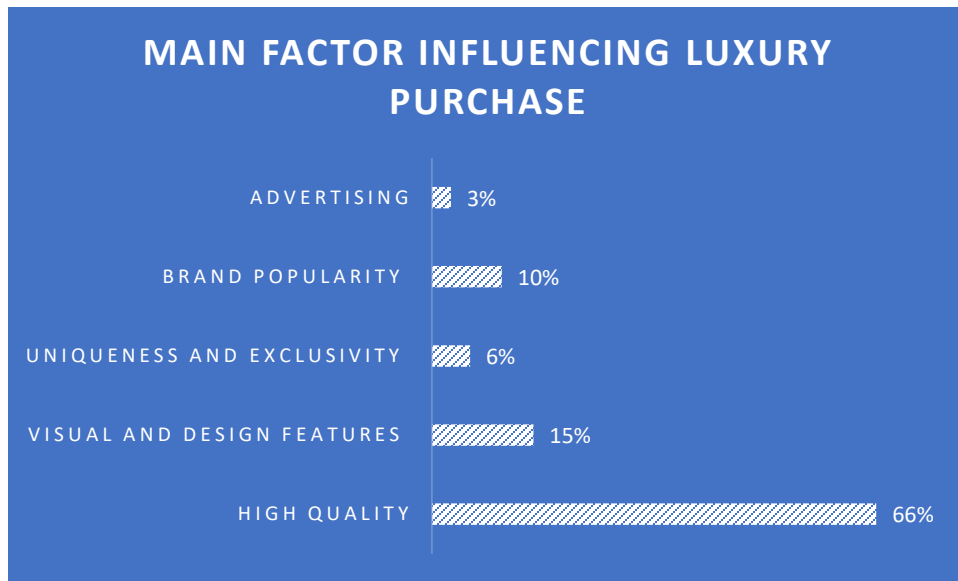
<i>Income</i>	<i>Frequency</i>	<i>%</i>
<i>Below average</i>	23	22%
<i>Average</i>	70	66%
<i>Above average</i>	13	12%
<i>Total</i>	106	100%

*Table 4 Respondents' income source: own research, 2024*

Table 4. describes the respondent's income on average, the participants who describe their income as "below average" represent 22% of the sample size while the ones who described their income as "average" make up the majority of the sample that is 66% lastly we have the respondents who described their income as "above average" those represent only 13% of all respondents. From the results of this table it is safe to assume that the purchase of luxury is not always related to the income level of the individual and studies have been made to prove that many people with average and sometimes below average can be luxury buyers as well as the case with young people with limited resources where they can still access such a goods.

After analyzing the demographic questions, I will move to the questions related to the topic.

Figure 2. Q1/Main factor influencing luxury purchase



*Figure 2 Main factors influencing luxury purchase (N=106) Source: Own research, 2024*

Figure 2. represents the participant's answers to the main factor influencing their luxury purchase. The results of this question are important in order to compare them with the results of the qualitative research done in this study. From the results of this question, it seems consumers highly associate high-quality with luxury thus it is the main thing in their expectations list. These results partially confirm the ones in the qualitative research which states that high quality is one of the first things consumers value in their luxury purchases yet the results in the qualitative research attached importance to advertising as well.

Table 5. Q2/Luxury and high-status association.

*Do you associate luxury goods with high status?*

*Answer    Frequency    Percentage*

<i>Yes</i>	54	51%
<i>No</i>	52	49%
<i>Total</i>	106	100%

*Table 5 Luxury and high-status association source: own research, 2024*

Table 5. presents the respondents answer to whether they associate luxury with high status. In the literature review, Belk's (1988) theory was presented which states that luxury products are a symbol/membership of high-status, these results help to test this theory. The result is near-equally distributed but suggests that slightly more than half of the respondents believe that luxury products carry high social significance therefore confirming the presented theory.

Figure 3. Q3/The impact of luxury goods ownership on consumer's self-perception



*Figure 3 Owning luxury goods makes me feel special and unique from others (N=106) Source: Own research, 2024*

Figure 3. presents the respondents answers when asked whether owning a luxury good makes them feel more unique and special from others. The unique value luxury products give have been mentioned in the literature review and tested in qualitative research that is why it was important to test this notion in the quantitative research as well. The answers for this question have a mixed sentiment because while a large number of respondents (43%) feel that that luxury goods provide a unique or special feeling, a slightly larger group does not associate luxury ownership with uniqueness therefore the results suggest that for many consumers the appeals of luxury goods is beyond social differentiation, instead in factors like quality and functionality or personal satisfaction. The results of Q3 contradicted the "perceived unique value" theory in the secondary research and the findings in the qualitative research as the participants in the mentioned research all agreed that luxury goods make them feel distinguished and special from other people.



Table 6. Q4/Willingness to pay more for a product from a brand known for prestige high quality

*Q4*

<i>Mean</i>	2.58
<i>Standard Deviation</i>	1.373

*Table 6 Willingness to pay more from a brand known for prestige source: own research, 2024*

Table 6. presents the extent the respondents agree to the following statement “I’m willing to pay more for a product from a brand that is well known for prestige high quality” The available choices in the questions were Strongly Disagree, Disagree, Neutral, Agree, Strongly Agree. From the mean result we can see that most respondents disagreed with the statement contradicting the “**perceived conspicuous value**” theory which states that consumers would invest higher prices to buy brands that enhance their prestige and status in front of others and Maehle, Otnes & Supphellen’s (2011) theory that states people not only buy products for what they can do but also for what they symbolize and those symbolic factors often than not the main reason for the purchase of the product.

Table 7. Q5/Respondents’ agreements to “I prefer luxury products with visible brand logos”

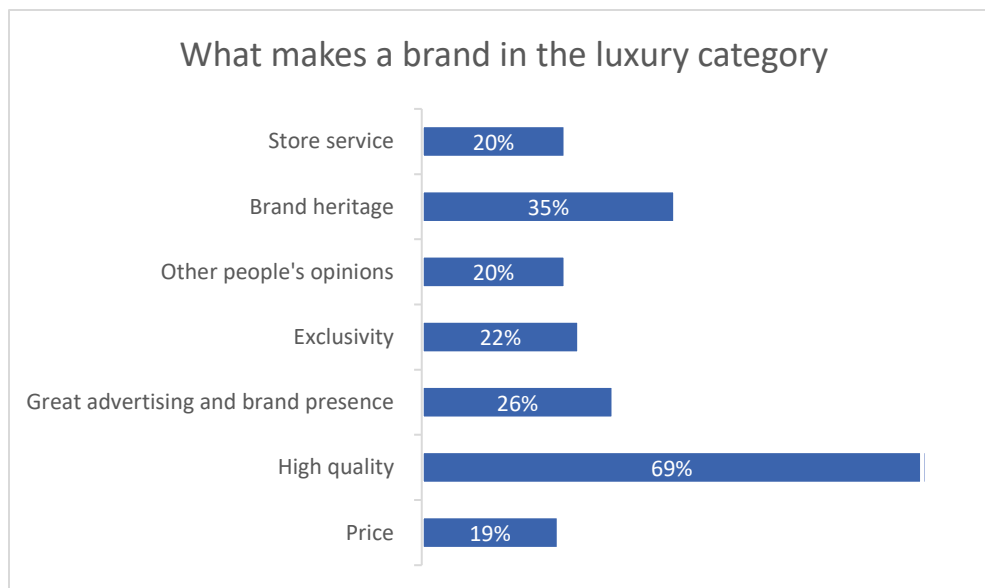
*Q5*

<i>Mean</i>	2.53
<i>Standard Deviation</i>	1.449

*Table 7 I prefer luxury products with visible brand logo. source: own research, 2024*

Table 7. shows the respondents' level of agreement for the following statement "When looking to buy a luxury product, I always choose a product that has the brand logo visible" Like the question before the choices available were Strongly Disagree, Disagree, Neutral, Agree, Strongly Agree. As we examine the results of the mean it is noticed that most respondents disagreed with the statement too. These results are important to prove theories presented in the literature review, the first is "the perceived conspicuous value" which states that the more visible the luxury product is to others the more consumers will value it as consumers associate luxury with higher status and owning and displaying luxury goods can communicate their status to others. The second theory is again Belk's (1988) which states that luxury products are a symbol/membership of high-status which status. These results contradict the first theory because without a visible logo/brand characteristics individuals cannot use the item to symbolize their status in front of others. Personally, when making this question in the survey, I expected the level of agreement way more than the level of disagreement because a huge number of consumers tend to prefer products that showcase the logo of the brand like the Gucci signature print clothes or famous GG logo or the Louis Vuitton signature print on bags.

Figure 4. Q6/Respondents' choices to what makes a brand luxury



*Figure 4 What makes a brand in the luxury category (N=106) Source: Own research, 2024*

Figure 4. presents the respondents choices of "What are the features that make a brand in the luxury category?" This question was a checkbox type where respondents could choose more than one option at once, the number of the options chosen was 182 but the following chart shows the most commonly chosen

options. These choices help us understand the respondent's perspective on what a luxury brand is, and understanding their choices for this question helps us understand their behavior towards the previous questions as well. Again, high quality was chosen the most (69%) by respondents and price was chosen the least (19%) showing that respondents highly associate luxury with high quality. The result on this question was surprising, as indicated in the literature review, qualitative research and from general knowledge one of the main characteristics of luxury brands is high price, high quality is another important characteristic, but you can find a lot of non-luxury brands that offer the high quality aspect yet not find a luxury brand that doesn't have a high price.

Table 8. Q7/Luxury counterfeit purchase

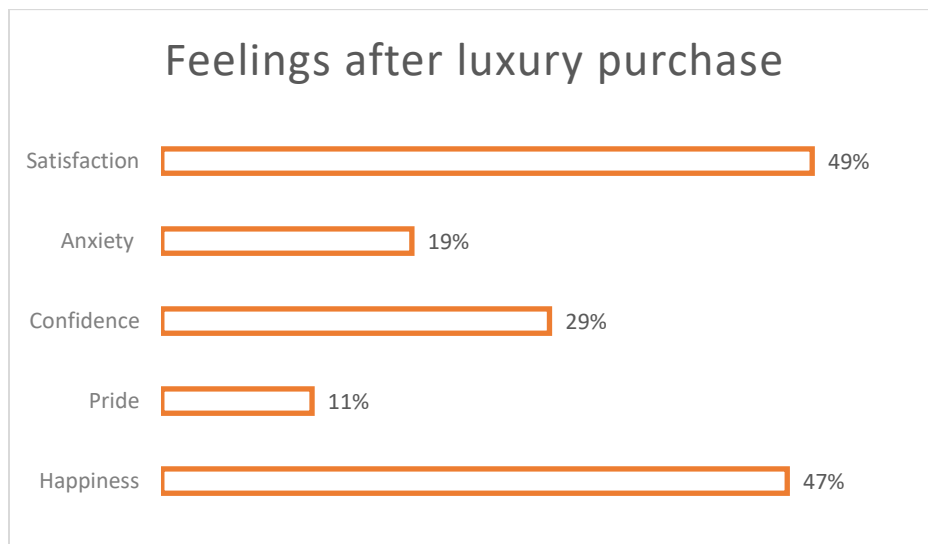
*Have you ever purchased a counterfeit luxury product?*

<i>Answer</i>	<i>Frequency</i>	<i>Percentage</i>
<i>Yes</i>	74	70%
<i>No</i>	32	30%
<i>Total</i>	106	100%

*Table 8 Luxury counterfeit purchase source: own research, 2024*

Table 8. shows the answers for whether the respondents have purchased a counterfeit luxury item before. From the answers we can conclude that most of the respondents (70%) purchased a counterfeit luxury product. The results of this question are important to understand the respondents' behavior and compare them with the results of the previous questions. The results confirm to theories presented in the literature review such as **“the perceived conspicuous value”** which states that the more a product is visible the more value it has in the eyes of the consumers as only when it is visible (the logo or print of the brand) it can communicate the individual's status, this theory applies to the results of this question because counterfeit luxury goods do not offer functional benefits like high-quality and can only be used as a way to display high status especially when they are almost identical to the original products in terms of design.

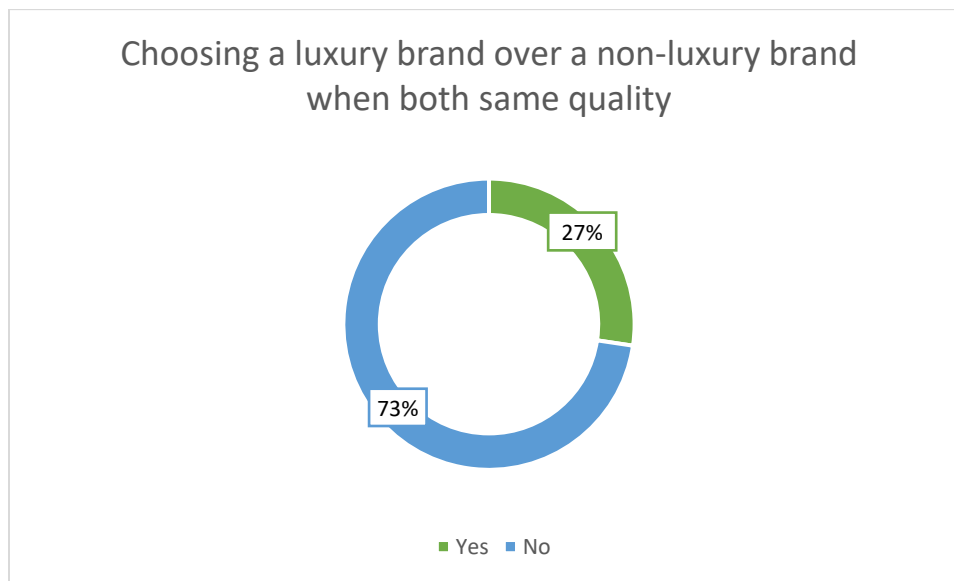
Figure 5. Q8/Feelings after luxury purchase



*Figure 5 Feelings after luxury purchase (N=106) Source: Own research, 2024*

Figure 5. shows the participants' answers to what do they feel after making a luxury purchase, the choices were happiness, pride, confidence, anxiety (e.g. from the cost of the product) and satisfaction, the question was a checkbox type where respondents could choose more than one option at once, the number of all options chosen was 165. Satisfaction and happiness were the most chosen options by participants where the former was chosen at 49% while the latter at 47% the next, interestingly was confidence at 29% then anxiety at 19% with pride being last at 11%. A similar question was included in the qualitative research therefore these results are important in order to compare between both the qualitative and the quantitative research and rightfully so, the results matched the ones in the qualitative research as there, all participants stated satisfaction and happiness as well as confidence yet it the latter was rated as more important in the qualitative research compared to this one.

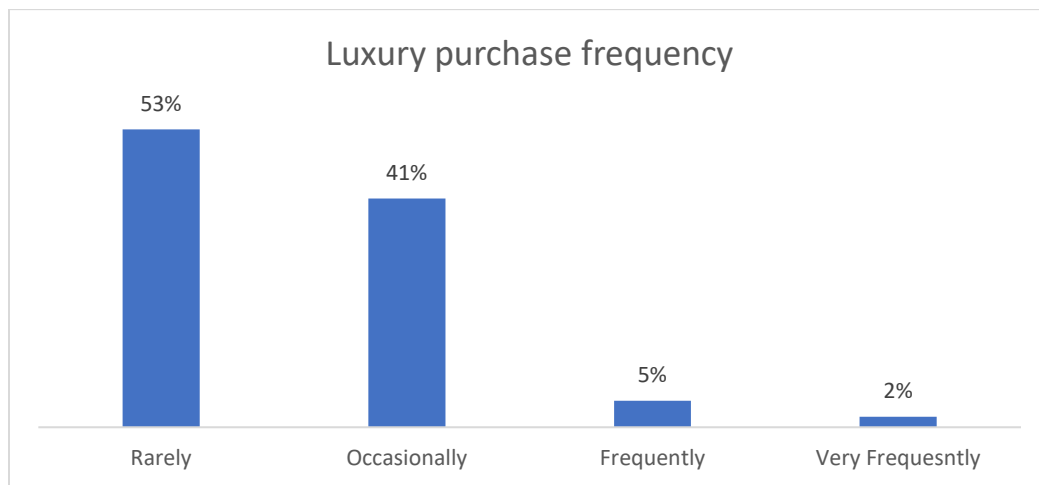
Figure 6. Q9/A luxury brand or a non-luxury brand when both are the same



*Figure 6 Choosing a luxury brand over a non-luxury brand when both same quality (N=106) Source: Own research, 2024*

Figure 6. Shows the participants' response to "Would you choose a luxury brand over a non-luxury brand when both offer similar quality?". This question's results is another important way to determine the motivations behind the purchase of luxury goods for the respondents. Clearly most of the respondents answered **No** while only 27% answered **Yes** agreeing that they would prefer to buy a luxury brand over a non-luxurious one regardless of how similar the quality is between the two. The results imply that most respondents prioritize high quality over prestige and brand name contradicting Maechle, Otnes, & Supphellen's theory that states that consumers buy luxury products for what they symbolize and more often than not that's the main reason for their purchase of such goods.

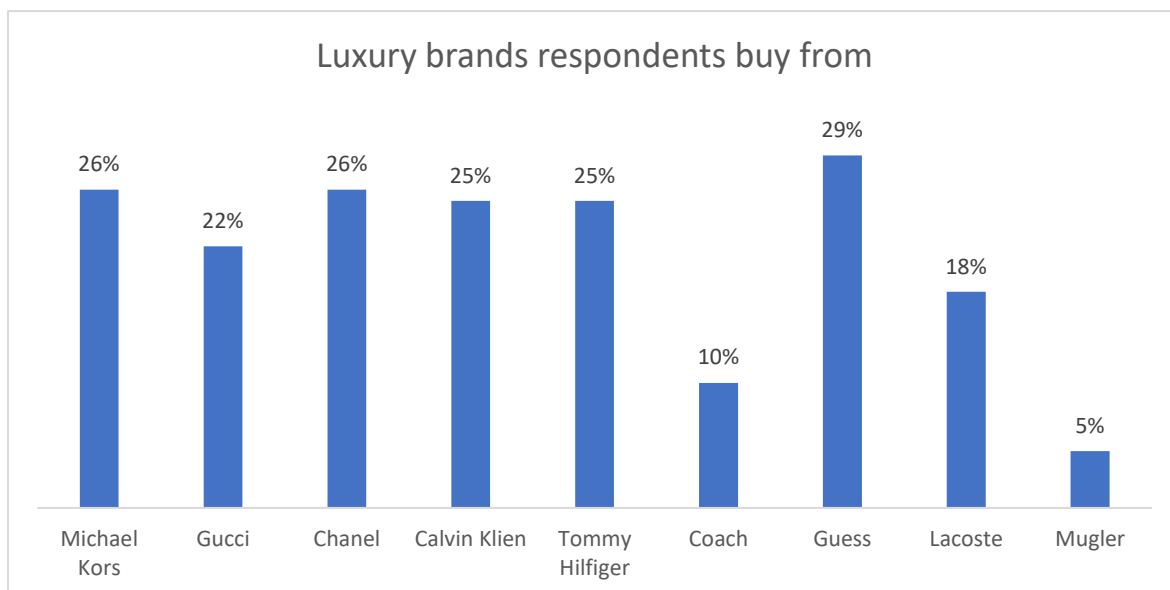
Figure 7. Q10/The frequency of the respondents' luxury purchases



*Figure 7 Luxury purchase frequency (N=106) Source: Own research, 2024*

Figure 7. shows how frequently respondents purchase luxury products and it is seen that most of the respondents are not frequent luxury shoppers.

Figure 8. Q11/Luxury brands respondents buy from



*Figure 8 Luxury brands respondents buy from (N=106) Source: Own research, 2024*

Figure 8. displays popular luxury brands respondents buy from, this question too was designed as a checkbox question where participants could choose more than one brand, the brands shown on figure 10. were the available options but the question also included an “other” option to allow respondents to choose other brands they perceive as luxury. Common brands noticed from participants who chose “other” were Dior, YSL and Sketchers though the last does not belong to the luxury category, a slight number of the consumers perceived it as one.

Figure 9. Q12/Respondents’ shopping preference



*Figure 9 Shopping preference (N=106) source: own research, 2024*

Figure 9. shows the respondents’ shopping preference, 58% of the respondents prefer **offline** shopping while the rest 42% prefer **online**. The result of this question doesn’t seem surprising as luxury store service is always outstanding and aims to create the best luxurious shopping experience for the client and luxury shopping in itself is an experience that is why it is preferred to live it instead of missing it by just ordering the item online.

Table 9. Q13/The relationship between age and luxury shopping preference

In the qualitative research, many participants expressed their preference for shopping luxury from the store rather than online, mainly because they would like to try the products and see them in real life but also to not miss on the luxury shopping experience the store provides and their premium customer service, these results are confirmed in Q13 as we can see that most respondents chose offline shopping. However, does the same apply for the younger generation too because they usually prefer online shopping more than offline. As a result, I wanted to test whether there is a relationship between shopping preference and age, or most respondents prefer store shopping regardless of how old they are. To test that, I conducted a Chi<sup>2</sup> test between age and shopping preference using SPSS. From the results of table 9. The p value equals 0.392 that is greater than common significance level of 0.05 which indicates the variables are independent and there is no relationship between age and shopping preference. This means that age has no effect on whether respondents prefer shopping online or offline.

### Chi-Square Tests

	Value	df	Asymptotic Significance (2- sided)
Pearson Chi-Square	5.197 <sup>a</sup>	5	.392
Likelihood Ratio	5.325	5	.377
N of Valid Cases	106		

*Table 9 Chi<sup>2</sup> test for shopping preference and age. Source: own research, 2024*

### Key Findings by Hypothesis

**H1:** Consumers purchase luxury goods to feel special and unique from others

To evaluate this hypothesis, respondents were asked in **Q1** to choose the main factor influencing their luxury purchase, as shown in figure 2. Between high quality, visual and design features, uniqueness and exclusivity,



brand popularity and advertising, the majority of the respondents chose high quality at 66% while uniqueness and exclusivity is chosen by only 6% of the respondents which the second least after advertising.

**Q3** asked the participants whether having luxury goods makes them feel unique and special from others and the result was that 57% of respondents answered negatively while 43% were positive and chose “yes”.

**Q4** asked the extent where respondents agree to the statement “‘I’m willing to pay more for a product from a brand that is well known for prestige high quality” the result was that most respondents disagreed with the statement as shown by the mean results in table 6.

Moving to **Q5** measuring the extent respondents agreed with the following statement “When looking to buy a luxury product, I always choose a product that has the brand logo visible”. Clearly, most of the respondents' answers seem to lean towards disagreeing as well from the mean result in table 7.

**Q6** asked respondents what are the things that make a brand in the luxury category 69% chose high quality as shown in figure 4. and that is the highest chosen option among the rest, then brand heritage at 35%, great advertising and brand presence at 26%, exclusivity at 22%, store service and other people's option about the brand at 20% and lastly price at just 19%. From the results we can assume that respondents consider a brand that has a high quality as a luxury brand.

**Q8** was a select-all-that-apply question asking respondents the feelings they felt after purchasing luxury goods and from happiness, pride, confidence, anxiety, and satisfaction. Figure 5. presented the analysis for the question and the most commonly chosen options were satisfaction at 49% and happiness at 47% coming next was confidence at 29% and anxiety at 19% and the last was pride at 11%.

**Q9** was another question connected to the hypothesis asking participants “would you choose a luxury brand over a non-luxury brand when both offer similar quality?” and the results as shown in figure 6. show that 73% answered “No” while only 27% agreed with “Yes”.

Therefore, contrary to the hypothesis the results of **Q1, 3, 4, 5, 6, 8** and **9** indicate that consumers don’t necessarily purchase luxury goods to feel unique and special from others, instead they suggested that it is mainly for the high quality and originality those products offer prioritizing what they get from the product rather than what they feel from it.

**H2:** There is no significant relationship between age and shopping preference for luxury goods shopping among respondents

Based on the results of **Q13** it is proven that there is no significant relationship between age and luxury shopping preference, based on **Q12** most respondents preferred offline shopping rather than online as a result, it is safe to assume that respondents prefer offline shopping regardless of their age.

**H2** is accepted.

## **5. Conclusions and Suggestions**

### Conclusions:

The results of the qualitative research suggested that participants associated luxury purchases with high price and quality and exclusivity, that is why the participants' have a high emotional and functional expectations from those purchases. From those expectations were quality, aesthetics and confidence and luxury products were mentioned for enhancing feelings of uniqueness, happiness, and self-esteem, especially in brand-conscious social settings. The key factors influenced the purchases were first their desire to purchase a high-quality long lasting product, second was word of mouth and advertising particularly celebrity and influencer advertising.

The findings in the qualitative research supported theories from the secondary research such as the perceived unique and conspicuous value suggesting that luxury goods are valued for their rarity and ability to enhance individual's social status. Additionally, the advertising strategies and exclusivity focused branding played a big role in influencing the purchase intention and drawing the consumer's attention to the advertised goods.

Moving to the quantitative research, some results (**Q2**) suggested that consumers associate luxury with high-status confirming Belk's (1988) theory which states that luxury brands are symbol membership or high status in the literature review. Another theory in the literature review that were tested in the quantitative research was the "perceived conspicuous value" theory which stated that the more visible a luxury item is in terms of logo or print, the more value it has in the eyes of luxury consumers as they use it to display their status and wealth **Q5** contradicted the mentioned theory as most respondents in the questions did not agree with the statement that expressed a preference for buying luxury products with a visible logo. In terms of feelings after luxury purchase, **Q8** showed that the most common feeling among consumers after purchase is happiness and satisfaction with a small number of respondents (29%) stating confidence as well. The rest of the results suggested that the functional benefits of luxury goods are more valued than the emotional ones, with high quality always topping most of the answers. It was also emphasized that respondents didn't necessarily have emotional expectations or purchase luxury solely to fulfill them, the appeal of luxury goods

is beyond social differentiation, display of status, or other inner needs instead in factors like quality and functionality contradicting most of the consumer behavior theories presented in the literature review. Additionally, most respondents had different perceptions of what they would consider luxury as many equated high quality with luxury and stopped there, very few options had mentioned the exclusivity and rarity as well as the high price characteristics of those products. Therefore, from the results assessed the following hypothesis H1: Consumers purchase luxury goods to feel special and unique from others. was rejected.

The quantitative research also tested if there is a relationship between age and shopping preference and the results showed that there was no relationship between the two variables as tested in **Q13** and from **Q12** it was observed that respondents preferred offline luxury shopping equally regardless of age therefore

**H2:** There is no significant relationship between age and shopping preference for luxury goods shopping among respondents. Was accepted.

#### Suggestions:

Based on the results of both qualitative and quantitative research. First, I would suggest luxury brands to increase their influencer based advertising as participants in the qualitative research reported buying products because their favorite influencer owned and promoted them, to apply this, brands could partnership with fashion and makeup influencers to reach their target market or popular product reviewers to generate desire for their products, those influencers can be on TikTok, Instagram or YouTube. Second, to build their brand identity and personality in order to be distinguished from any other brands that offers a high quality products a way to apply this is by creating a strong branding like the iconic GG logo or the LV print that are so recognizable and communicate the brand's identity as it can expand to all features of the brand like packaging and websites. Advertising can be another crucial way for them to communicate and emphasize their brand heritage and create engaging advertisements and posters in popular fashion cities like Paris or Milan. Third, to invest more in their online shopping features because shopping luxury from the store can limit sales for brands as stores are far and not available in every city therefore implementing features like virtual try-on, accurate size charts and convenient shipping and return policies. Lastly, based on the counterfeit question result, I would recommend to keep fighting the counterfeit market as it accounts for large revenue losses for luxury brands.

## **6. Summary**

This research talks about the impact of luxury fashion purchases and advertisements on consumer behavior it explores the reasons consumers purchase luxury products and how luxury brands use advertising to make

their products appeal to the consumers. As a start the study gave a brief introduction about the importance of the luxury market, advertising, consumer behavior and why the topic is relevant then moved to the literature review and explained the concept of advertising using different sources from different authors. Then, the study explored the meanings of luxury and luxury fashion, what is considered luxury, its characteristics and what purposes do they fulfill. Moving on, consumer behavior was introduced and specifically in terms of luxury were important theories were presented about the reasons why consumers buy luxury goods.

The study then presented information about luxury fashion advertising and how luxury brands use storytelling, visual appeals and communicate their brand's heritage to create the attractive luxury aura that distinguishes them from the rest of the brands, it also explained luxury advertising through traditional advertising mediums such as print advertising, movie theater advertising, outdoor advertising, and radio commercial advertising and how these mediums complete the brand's promotion strategy.

Lastly, the secondary research showed the strategies luxury brands use to build themselves and names in order to stand out and appeal to their target market such as investing in their brand image, personality and identity as well as using celebrity and influencer endorsements and social media integration.

Moving to the primary research, it consisted of two types of researches qualitative and quantitative, the former was conducted through a focus group while the latter through a survey. Both researches solely targeted consumers who have experience in purchasing luxury goods to gather insights about what they perceive and associate with luxury, what motivates their purchases, their expectations and the feelings they get from those purchases, how important is advertising in affecting their decisions and their favorite brands and methods of shopping.

The results of the qualitative research indicate that luxury products are associated with high price and quality and exclusivity, also that consumers have high expectations from purchasing such a products, and the main things influencing their purchases are word of mouth and brand advertisements and celebrity/influencer endorsements. The research found according to participants that luxury goods satisfy inner needs as much as the outer ones, such as feelings of uniqueness, confidence, and elevated social status, supporting theories on the perceived unique, conspicuous value of luxury brands and more shown in the literature review. Additionally, aspirational advertising and exclusivity-focused branding affects the consumer's purchase intentions.

On the other hand the key findings in the quantitative research suggested that consumers value the functional and quality attributes of luxury products more than the emotional ones and differentiation or the display of status was last in the respondents' list. The study presented two hypotheses, the first **is consumers purchase luxury products to feel special and unique from others** which was rejected based on the mentioned results above. The second was that **there is no significant relationship between age and shopping preference for luxury goods**, which was accepted based on a test result.

The study concludes with suggestions to luxury brands on opportunities they can take advantage of based on the researches done and things to look out for to save their reviews.

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## 9. annexes

### 9.1 Qualitative research focus group session questions:

- 1- What are the things you consider luxury goods and how often do you purchase and obtain such a goods? and
- 2-What are the reasons that made you purchase a luxury good?
- 3-What are the things that affect your decision to purchase a luxury product?
- 4-What is your expectation when purchasing a luxury good?
- 5-How does purchasing a luxury product makes you feel?
- 6-Do you think owning a luxury fashion good elevates your self esteem? And elevates how others look at you?
- 7-What are particular brands you like and why?

8-What do you prefer online or offline shopping and why?

9-How long do you use a particular item and what do you do with it afterwards?

**9.2 Quantitative research survey questions:**

Q1-From the options below what is the main factor influencing your luxury purchase decision?

1=High quality

2=Visual and design features

3=Uniqueness and exclusivity

4=Brand popularity

5=Advertising

Q2-Do you associate luxury goods with high status?

Yes

No

Q3-Do you think owning a luxury good makes you feel more unique and special from others?

Yes

No

Q4-To what extent do you agree with the statement: "I'm willing to pay more for a product from a brand that is well known for prestige high quality"?

Strongly Disagree

Disagree

Neutral

Agree

Strongly Agree

Q5-To what extent do you agree with the statement: "When looking to buy a luxury product, I always choose a product that has the brand logo visible"?

Strongly Disagree

Disagree

Neutral

Agree

Strongly Agree

Q6-What are the features that make a brand in the luxury category? (checkbox)

Price

High quality

Great advertising and brand presence

Exclusivity

Other people's opinions

Brand heritage

Store service

Q7-Have you ever purchased a counterfeit luxury product?

Yes

No

Q8-What emotions do you typically feel after purchasing a luxury brand item? (checkbox)

Happiness

Pride

Confidence

Anxiety (e.g., about the expense)

Satisfaction

Q9-Would you choose a luxury brand over a non-luxury brand when both offer similar quality?

Yes

No

Q10-How often do you purchase luxury fashion items?

Rarely

Occasionally

Frequently

Very frequently

Q11-Which one of these luxury brands do you buy from? (checkbox)

Michael Kors

Gucci

Chanel

Calvin Klien

Tommy Hilfiger

Coach

Guess

Lacoste

Mugler

Other:

Q12-Do you prefer online or offline shopping?

Online

Offline

Q13-How would you describe your monthly or annual income?

Below average

Average

Higher than average

Q14-What is the highest level of education you have completed?

High school graduate, diploma or the equivalent

Bachelor's degree

Master's degree

Doctorate degree

Q15-What is your gender?

Male

Female

Q16-What is your age?

Under 20

20-25

26-30

31-35

36-40

Above 40

## 10. declarations

### DECLARATION

on authenticity and public assess of final essay/thesis/master's thesis/portfolio<sup>1</sup>

Student's name: Abdulmalek Maria Mohammed  
Student's Neptun ID: T23SH1  
Title of the document: The impact of luxury purchases and Advertisements on consumer behavior  
Year of publication: 2024  
Department: Economics and social sciences

I declare that the submitted final essay/thesis/master's thesis/portfolio<sup>2</sup> is my own, original individual creation. Any parts taken from an another author's work are clearly marked, and listed in the table of contents.

If the statements above are not true, I acknowledge that the Final examination board excludes me from participation in the final exam, and I am only allowed to take final exam if I submit another final essay/thesis/master's thesis/portfolio.

Viewing and printing my submitted work in a PDF format is permitted. However, the modification of my submitted work shall not be permitted.

I acknowledge that the rules on Intellectual Property Management of Hungarian University of Agriculture and Life Sciences shall apply to my work as an intellectual property.

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Student's signature

<sup>1</sup>Please select the one that applies, and delete the other types.

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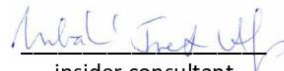
## DECLARATION

As consultant of Abdulmalek Maria Mohammed (T23SH1), I declare that I have reviewed the final thesis and that I have informed the student of the requirements, legal and ethical rules for the correct handling of literary sources.

I recommend / do not recommend<sup>1</sup> the final thesis to be defended in the final examination.

The thesis contains a state or official secret:                      yes    no\*<sup>2</sup>

Date: Gödöllő, 2024.11.11

  
insider consultant

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<sup>1</sup> The appropriate one should be underlined.

<sup>2</sup> The appropriate one should be underlined.

## DECLARATION

As consultant of Abdulmalek Mohamed Maria (T23SH1), I declare that I have reviewed the final thesis and that I have informed the student of the requirements, legal and ethical rules for the correct handling of literary sources.

**I recommend / do not recommend<sup>1</sup>** the final thesis to be defended in the final examination.

The thesis contains a state or official secret:                      yes    no<sup>\*2</sup>

Date: Gödöllő, 2024.11.11

  
insider consultant

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<sup>2</sup> The appropriate one should be underlined.